THE ECONOMIC COMMISSION FOR AFRICA

"The 1990s will be a decade of regional economic blocs and groups. Africa cannot therefore afford to be the odd man out... Steps towards economic integration in Africa as well as the establishment of the African common market [have] to be intensified."

Nigerian economist Adebayo Adedeji has been advocating closer economic co-operation in Africa since 1975, the year he was appointed Executive Secretary of the United Nations Economic Commission for Africa (ECA).

Created in 1958, ECA was Africa's first continent-wide international organization. It has been striving ever since then to ensure that African solutions are found to Africa's economic problems.

Over the years, ECA has been central in shaping African economic thought, in harmonizing Africa's economic policies and in putting its problems before the rest of the world.

It has promoted the creation of co-operative regional groupings such as the Economic Community of West African States, the Economic Community of Central African States and the East and Southern African Preferential Trade Area, and is now working to set up a preferential trade agreement in North Africa. It has helped create institutions such as the African Development Bank, the African Regional Centre for Technology and some 36 other specialized bodies. It has produced seminal documents, such as the 1980 Lagos Plan of Action and the 1989 African Alternative Framework to Structural Adjustment Programmes—blueprints for Africa's economic development.

Based in Addis Ababa, Ethiopia, ECA has a staff of 824 and an annual budget of about $100 million. Membership comprises 51 African countries, including newly independent Namibia.

The only pan-African economic organization, ECA provides a permanent forum for member States on economic issues. African leaders meet at the annual sessions of the Commission; economy and finance ministers meet at ECA's annual Conference of Ministers, while ministers of industry and trade get together at ECA's sectoral meetings. Regular contacts continue at some 60 meetings, workshops and seminars ECA organizes throughout the year.

Technical assistance is a major activity. ECA administers technical co-operation projects worth $40 million, funded by the United Nations Development Programme. For instance, ECA projects help market indigenous building materials, identify high-yield zones for cereal production, and assist the pulp and paper industry in using alternative raw materials.

A leading research centre, ECA publishes studies on virtually all economic and social areas. Major publications include the *Economic Report on Africa*, the *Survey of Economic and Social Conditions in Africa* and the *African Statistical Yearbook*.

ECA is a major provider of information services. Its library houses Africa's largest collection on the region's economies. Its data base, the Pan-African Documentation and Information System, provides socio-economic information to member States and other users, and is the core of a network that includes 40 regional and 34 national centres.

The Commission provides advisory services to Governments in areas such as development planning and policies, population, statistics, and science and technology. It carries out short-term economic modelling and forecasting, especially at the country level—a service in great demand by member States.

ECA has promoted the creation of networks of pan-African roads, railroads and telecommunication systems. It has launched a project to build trans-African highways—one from Cairo, Egypt, to Gaborone, Botswana, and another from Mombasa, Kenya, to Lagos, Nigeria—and is assisting in their completion. It has also helped establish direct telecommunication links among all African capitals.

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The Commission is expanding its environmental protection activities, in particular to control drought and desertification, to reduce pollution and to curb illegal traffic in toxic waste. Member States are increasingly requesting ECA assistance to develop their environmental capabilities.

A CRUCIAL DECADE FOR THE ECONOMY . . .

Africa's economies in the 1990s continue to face various hurdles. Growth prospects are greatly constrained by deteriorating terms of trade, inadequate resource flows, excruciating debt burdens, weak commodity prices, as well as an increasingly hostile international economic environment, according to Adedeji.

Debt is a major issue. "Africa is the most heavily indebted continent relative to its level of income," he says. External debt amounts to 85 per cent of Africa's gross domestic product (GDP). An indicator of Africa's debt burden is its debt service–to–exports ratio: it was 40 per cent in 1988, compared to a ratio of 25 per cent for the world's most heavily indebted countries.

Debt payments contribute to Africa's resource outflow. "Africa is transferring more financial resources to the developed nations than it is receiving from them," Adedeji says. In 1989 the net resource outflow amounted to $5.5 billion, a transfer due—in addition to debt service—to trade losses, capital flight and outflow to the International Monetary Fund and the World Bank. Debt service alone was higher than all the official development assistance Africa received from industrialized countries.

External factors greatly affect Africa's performance. ECA estimates that in 1990 Africa's GDP will grow by some 3 per cent. But a more favourable international environment—better export performance, more favourable debt reschedulings and further debt reductions—could lead to a growth of 4.5 per cent.

"Whatever happens," Adedeji says, "the world must in the 1990s move away from efforts directed at refinancing debt to a significant and substantial reduction in the stock of debt. There is need also for . . . increasing resource flows to Africa on a concessional basis for long-term development. Otherwise debt and the debt-service burden and . . . declining resource flows in real terms will continue to pose a serious threat . . . to the growth and development of Africa."

For their part, African Governments should mobilize domestic resources, switch expenditure towards productive investment, safeguard spending on social sectors, and more energetically promote inter-African trade, says a recent ECA report.

. . . AND FOR DEMOCRACY

The Commission has repeatedly stressed that democracy is essential for economic development. In a 1989 policy document, ECA said it considered "the pervasive lack of democracy" as the primary cause for Africa's economic crisis.

For his part, Adedeji advocates a new Africa "where there is democracy and accountability, not despotism . . . and where the governed and their Governments are moving hand-in-hand in the promotion of the common good.

"The African crisis is not purely an economic crisis," he says. "It is at once a human and political crisis with grave socio-economic consequences . . . There is no way in which we can tackle the economic and financial crisis in an enduring manner, unless we attack the root cause.

"What Africa needs are fundamental change and transformation, not just adjustment, . . . not just narrow, economistic and mechanical, . . . but broader and fundamental changes which will internalize, in every country in Africa, democracy, accountability and development; [where] an environment that promotes initiative and enterprise and guarantees the dignity of each citizen becomes pervasive, and [where] the economic and political empowerment of the people becomes the order of the day."

This article is part of a series on the United Nations regional commissions.

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